

**Introduced by Senator Florez
(Principal coauthor: Senator Price)**

February 5, 2010

An act to add Chapter 3.5 (commencing with Section 66150) to Part 40 of Division 5 of Title 3 of the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 969, as introduced, Florez. Public postsecondary education: California College and University Fee Stabilization Act of 2010.

Existing law, known as the Donahoe Higher Education Act, provides for a public postsecondary education system in this state. The 3 segments of the public postsecondary education system are the University of California, which is administered by the Regents of the University of California, the California State University, which is administered by the Trustees of the California State University, and the California Community Colleges, which are administered by the Board of Governors of the California Community Colleges and the community college district governing boards. The provisions of the Donahoe Higher Education Act apply to the University of California only to the extent that the Regents of the University of California act by resolution to make them applicable.

Existing law authorizes the Trustees of the California State University to require that fees, among other charges, be paid by students at that institution. Existing law requires the governing board of each community college district to charge each student a fee of \$26 per unit per semester, effective with the fall term of the 2009–10 academic year. Existing provisions of the California Constitution require the Regents of the

University of California to have all powers necessary or convenient for the effective administration of the university.

This bill would enact the California College and University Fee Stabilization Act of 2010, which would place limits on increases in mandatory systemwide fees, as defined, charged to students enrolled in the 3 segments of public postsecondary education. The bill would limit mandatory systemwide fees that are charged to resident undergraduate students enrolled in the University of California, the California State University, or the California Community Colleges to a specified amount, based on the average total cost of education, as defined, at the respective segment. The bill would prohibit each of the 3 segments from charging a resident undergraduate student who commences enrollment in an undergraduate degree program at that segment for the fall term of the 2011–12 academic year, or any academic term thereafter, mandatory systemwide fees in an amount that is greater than the amount of the fees in effect at the time the student commenced enrollment in the undergraduate degree program. The bill would prohibit mandatory systemwide fees charged to resident undergraduate students enrolled in the University of California and the California State University from being increased, in any academic year, by an amount exceeding 5% of the fees charged for the immediately preceding academic year. With respect to the per unit per semester fees that community college districts are required to charge to students enrolled in the California Community Colleges, the bill would declare legislative intent that those fees not be increased by an amount exceeding 5% of the fees charged for the immediately preceding academic year. The bill would prohibit an increase in mandatory systemwide fees charged to resident undergraduate students enrolled in any of the 3 segments that is adopted on or after January 1, 2011, from becoming effective before 6 months have elapsed after the date on which fee increase is adopted.

The bill would provide that the act does not apply to the University of California, except to the extent that the Regents of the University of California adopt a resolution making it applicable. The bill would request the regents to adopt policies that are consistent with the act.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 3.5 (commencing with Section 66150) is added to Part 40 of Division 5 of Title 3 of the Education Code, to read:

CHAPTER 3.5. STUDENT FEES

66150. This chapter shall be known, and may be cited, as the California College and University Fee Stabilization Act of 2010.

66151. As used in this chapter, the following terms have the following meanings:

(a) (1) “Average total cost of education” means the amount calculated by dividing the total cost of education for the University of California, the California State University, or the California Community Colleges, whichever is applicable, by the total number of full-time equivalent students enrolled at that segment.

(2) For purposes of paragraph (1), “total cost of education” means the following with respect to each of the following segments of public postsecondary education:

(A) For the University of California and the California State University, the sum of appropriations and projected revenues from all of the following:

- (i) The General Fund.
- (ii) Higher education fees and income.
- (iii) The California State Lottery Education Fund.
- (iv) Reimbursements.

(B) For the California Community Colleges, the sum of appropriations and projected revenues from all of the following:

(i) The General Fund, including appropriations pursuant to Section 8 of Article XVI of the California Constitution.

- (ii) The State School Fund.
- (iii) The California Lottery Education Fund.
- (iv) Reimbursements.

(b) “Mandatory systemwide fees” means the fees that all students enrolled in the California State University or the University of California are required to pay in order to enroll in courses for the academic term pursuant to any law or any policy adopted by its governing board. With respect to the California

1 Community Colleges, “mandatory systemwide fees” means the
2 fees specified in paragraph (1) of subdivision (b) of Section 76300.

3 (c) “Regents” means the Regents of the University of California.

4 (d) “Resident” means a student who is exempt from paying
5 nonresident tuition pursuant to Chapter 1 (commencing with
6 Section 68000) of Part 41.

7 (e) “Trustees” means the Trustees of the California State
8 University.

9 66152. The Legislature finds and declares all of the following:

10 (a) Fees at California’s public postsecondary educational
11 institutions, including the University of California, the California
12 State University, and the California Community Colleges, have
13 undergone steep increases in recent years.

14 (b) Over time, fee levels have been erratic and unpredictable,
15 and have left families unable to realistically plan for the future.

16 (c) Recent fee increases demonstrate a trend toward the state
17 shifting a greater share of the costs of attaining higher education
18 onto students and families.

19 (d) Students and families face the increased challenge of paying
20 higher fees and an increased share of educational costs at a time
21 when state unemployment rates continue to soar and as families
22 continue to struggle to make ends meet.

23 (e) Barriers to attaining higher education posed by skyrocketing,
24 erratic, and unpredictable fee levels come at a time when experts
25 warn that California needs to produce more college graduates to
26 meet the state’s workforce and economic needs.

27 (f) If the state does not take action to ensure that more
28 individuals attain a college university education, California will
29 have one million fewer college graduates than it needs in 2025.

30 (g) As of 2025, only 35 percent of working-age adults will have
31 a college degree in an economy that would otherwise require 41
32 percent of workers to have a college degree.

33 (h) Failure to address this shortage by, in part, ensuring that
34 skyrocketing, erratic, and unpredictable fees do not continue to
35 serve as a barrier to attaining higher education will hamper the
36 state’s economic recovery and threaten California’s ability to
37 remain competitive in the increasingly global economy.

38 66154. By enacting this chapter, it is the intent of the
39 Legislature to do all of the following:

1 (a) Limit the increases in student fees at the state's public
2 postsecondary educational institutions and help students and
3 families plan for the future by bringing predictability and
4 consistency to fee levels over time.

5 (b) Enact a rational, moderate, and predictable fee policy that
6 recognizes the partnership between students, families, and the state
7 in preparing California's future workforce.

8 (c) Ensure that the share of costs that students and families pay
9 at the state's public postsecondary educational institutions remains
10 below the national average and reflects a reasonable contribution
11 to expect from students and families.

12 66156. (a) For each of the following segments of public
13 postsecondary education, the mandatory systemwide fees charged
14 to resident undergraduate students for any academic year shall not
15 exceed the following amounts:

16 (1) For the University of California, 40 percent of the average
17 total cost of education for that academic year.

18 (2) For the California State University, 30 percent of the average
19 total cost of education for that academic year.

20 (b) It is the intent of the Legislature that, for any academic year,
21 the mandatory systemwide fees charged to resident students
22 enrolled in the California Community Colleges, pursuant to
23 paragraph (1) of subdivision (b) of Section 76300, should not
24 exceed 10 percent of the average total cost of education for that
25 academic year.

26 66158. Notwithstanding paragraph (1) of subdivision (b) of
27 Section 76300 or any other law, a community college district, the
28 trustees, and the regents shall not charge mandatory systemwide
29 fees to a resident undergraduate student who commences
30 enrollment in an undergraduate degree program at the respective
31 segment during the fall term of the 2011–12 academic year, or any
32 academic term thereafter, in an amount that is greater than the
33 amount of the mandatory systemwide fees that are in effect for the
34 academic term at the time he or she commenced enrollment in the
35 undergraduate degree program.

36 66160. (a) In any academic year, the trustees and the regents
37 shall not increase the mandatory systemwide fees charged to
38 resident undergraduate students enrolled in the respective
39 institutions by an amount exceeding 5 percent of the mandatory
40 systemwide fees charged to those students for the immediately

1 preceding academic year. The total amount of mandatory
2 systemwide fees, as increased, shall not exceed the limits in
3 subdivision (a) of Section 66156.

4 (b) It is the intent of the Legislature that the fees charged to
5 students enrolled in the California Community Colleges, as set
6 forth in paragraph (1) of subdivision (b) of Section 76300, should
7 not be increased by an amount exceeding 5 percent of the fees
8 charged to those students for the immediately preceding academic
9 year and, as increased, should not exceed the limit in subdivision
10 (b) of Section 66156.

11 66162. (a) Notwithstanding paragraph (1) of subdivision (b)
12 of Section 76300 or any other law, any increase in the mandatory
13 systemwide fees charged to a resident undergraduate student
14 enrolled in the University of California, California State University,
15 or a community college district that is adopted on or after January
16 1, 2011, shall not become effective before six months have elapsed
17 after the date on which the fee increase is adopted.

18 (b) This section is subject to the restrictions on charging
19 mandatory systemwide fees set forth in Section 66158. This section
20 is not intended to permit an institution to charge fees in an amount
21 greater than permitted pursuant to Section 66158.

22 66165. (a) This chapter shall not apply to the University of
23 California, except to the extent that the regents, by appropriate
24 resolution, make this chapter applicable.

25 (b) The regents are requested to adopt policies for increases in
26 mandatory systemwide fees that are consistent with this chapter.